

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 4
Mtg. Date June 21, 2016
Dept. Public Works

Item Title: Award a Construction Contract for the Lemon Grove Realignment Project

Staff Contact: Mike James, Public Works Director and Edgar Camerino, Project Manager

Recommendation:

Adopt a resolution (**Attachment B**) awarding a construction contract for the Lemon Grove Avenue Realignment Project (Contract No. 2016-16) to West Coast General Corporation.

Item Summary:

In support of the City's five year capital improvement program (CIP), the City advertised a notice inviting bids for the Lemon Grove Avenue Realignment Project (Contract No. 2016 – 16) on April 21, 2016. The City held a mandatory pre-bid meeting on May 3, 2016, when nine potential contractors attended. On June 7, 2016, the City received four sealed bids.

Staff recommends awarding a contract (Contract No. 2016-16) to West Coast General Corporation and establishing a total project budget not to exceed \$6,310,300. The staff report (**Attachment A**) outlines specific details about the bid process, information about each company that submitted a bid, project revenue details, and information that supports staff's recommendation.

Fiscal Impact:

\$6,310,300 was programmed in the Fiscal Year 2016-2017 budget to support this project from eight funding sources.

Environmental Review:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section [] | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|---|---|---|
| <input type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input checked="" type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
B. Resolution

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 4

Mtg. Date June 21, 2016

Item Title: **Award Construction Contract for the Lemon Grove Realignment Project**

Staff Contact: **Mike James, Public Works Director and Edgar Camerino, Project Manager**

Discussion:

In April 2016, the City advertised a notice inviting bids for the Lemon Grove Avenue Realignment Project (Contract No. 2016-16) which will realign the Lemon Grove Avenue from the SR-94 Eastbound Exit Ramp to North Avenue. The project consists of grading, roadway modifications to the off-ramp, installation of curb, gutter, sidewalks and driveways, new street lighting, new traffic signals, traffic signing and striping, landscape and irrigation, railroad signaling and grade crossing improvements, railroad overhead contact system modifications, and pavement restoration.

In addition to the base bid, which includes the core elements of the project, an additive alternate that includes enhanced concrete sidewalk and crosswalk paving, pedestrian lights, benches and concrete sidewalk pavers was requested if additional funds were available. As of the date of this report, additional monies to fund the additive alternate items were not available. Pending the construction contract award, if staff realizes a cost saving during construction those funds will be consolidated in an attempt to afford the additive alternative amount of \$392,251.

On June 7, 2016, the City received the following four sealed bids:

Bidder's Name	Location	Base Bid	Add Alternate
West Coast General Corporation	Poway	\$5,506,461.19	\$392,251.00
Southland Paving, Inc.	Escondido	\$6,129,533.20	\$301,720.00
Palm Engineering Construction Company	San Diego	\$6,147,098.00	\$353,260.00
Pal General Engineering, Inc.	San Diego	\$6,977,977.36	\$228,720.00
Average Bid Amount		\$6,190,267.45	\$318,987.75

The engineer's estimate for this project was \$5,200,000. The lowest base bid was submitted by West Coast General Corporation (WCGC) in the amount of \$5,506,461.19.

Staff reviewed WCGC's project work history, references, and construction license. Its project work history and reference checks were positive. WCGC has also successfully performed similar work for various local government agencies. WCGC's construction license is current and in good standing with the State of California. Therefore, staff determined WCGC was both a responsive and responsible bidder, and recommends the award of a construction contract to WCGC.

Attachment A

Staff recommends the following project budget which incorporates only the core elements of the project using the base bid only:

Description	Amount
Construction Costs	\$5,506,461.19
Hazmat	\$100,000
Supplemental Costs	\$100,000
Utility Agency Fees	\$50,000
RWCQB Fees	\$3,000
Project Contingency ~ 9%	\$550,838.81
Total	\$6,310,300.00

Generally, the City contracts with the current on-call inspection and testing consultant to provide inspection and testing services for constructions projects. Due to the complex coordination of construction activities of this project, the City contracted with Infrastructure Engineering Corporation (IEC) in April 2016 to provide Construction Management Services, including construction inspection and material's testing.

The programmed revenue sources for this project include the following amounts and sources:

- \$150,000 is budgeted from Fund 3 – Street Reserve;
- \$237,400 is budgeted from Fund 10 – TDA;
- \$1,000,000 is budgeted from Fund 14 – TransNet;
- \$805,000 is budgeted from Fund 14 – SGIP;
- \$200,000 is budgeted from Fund 16 – Sanitation;
- \$557,900 is budgeted from Fund 27 – RTCIP;
- \$1,560,000 is budgeted from Fund 40 – IIG; and
- \$1,800,000 is budgeted from Fund 64 – CDA.

The total revenue programmed for this project equals \$6,310,300, which equals the anticipated project expenditures.

Conclusion:

Staff recommends that the City Council adopt a resolution (**Attachment B**) awarding the Lemon Grove Avenue Realignment Project contract (Contract No. 2016-16) to West Coast General Corporation and establish a project budget not to exceed \$6,310,300.

Attachment B

RESOLUTION NO. 2016 - _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA
AWARDING A CONSTRUCTION CONTRACT FOR THE LEMON GROVE AVENUE
REALIGNMENT PROJECT TO WEST COAST GENERAL CORPORATION**

WHEREAS, the Lemon Grove Realignment Project was scheduled as a part of the city's five year capital improvement program; and

WHEREAS, the city advertised a notice inviting bids for the Lemon Grove Avenue Realignment Project (Contract No. 2016 – 16) in April 2016; and

WHEREAS, the city held a mandatory pre-bid meeting on May 3, 2016, in which nine potential contractors attended; and

WHEREAS, on June 7, 2016, the city received four sealed bids; and

WHEREAS, staff concluded that West Coast General Corporation submitted a responsive and responsible bid in the amount of \$5,506,461.19; and

WHEREAS, a project budget is approved at \$6,310,300.00; and

WHEREAS, the City Council finds it in the public interest that an agreement for said contract is awarded to West Coast General Corporation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Awards an agreement (**Exhibit 1**) to West Coast General Corporation for \$5,506,461.19; and
2. Establishes a project budget not to exceed \$6,310,300.00; and
3. Authorizes the City Manager or designee to execute agreement and manage all project documentation.

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Attachment B - Exhibit 1

AGREEMENT

THIS CONTRACT, made and entered into this this _____ day of _____, 20____ by and between the City of Lemon Grove, California, herein after designated as the "City", and West Coast General Corporation, hereinafter designated as the "Contractor".

WITNESSETH: that the parties hereto do mutually agree as follows:

1. For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the City, the Contractor agrees with the City to furnish all materials and labor for:

LEMON GROVE AVENUE REALIGNMENT PROJECT

and to perform and complete in a good and workmanlike manner all the work pertaining thereto shown on the plans and specifications therefore; to furnish at his own proper cost and expense all tools, equipment, labor and materials necessary therefore; and to do everything required by this agreement and the said plans and specifications.

2. For furnishing all said materials and labor, tools and equipment, and doing all the work contemplated and embraced in this Contract, also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the work until its acceptance by the City and for all risks of every description connected with the work; also, for all expenses incurred by or in consequence of the suspension or discontinuance of work, except such as in said specifications are expressly stipulated to be borne by the City and for well and faithfully completing the work and the whole thereof, in the manner shown and described in the said plans and specifications, the City will pay and the Contractor shall receive in full compensation therefore the sum of Five Million Five Hundred Six Thousand Four Hundred Sixty-One Dollars and Nineteen Cents (\$5,506,461.19).
3. The City hereby promises and agrees to employ, and does hereby employ said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to for the price aforesaid and hereby conditions set forth in the specification; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.
4. The Notice Inviting Bids, Instructions To Bidders, Bid Forms, Agreement and Bond Forms, Construction Administration Forms, Completion of the Project Forms, General Requirements and General Provisions, Drawings, Plans and Specifications, Addenda, Allowances, and all amendments thereof, are hereby incorporated in and made part of this Contract.

Attachment B - Exhibit 1

5. The City, the City's representative, City Consultants and authorized volunteers shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof, or for any of the materials or other things used or employed in performing the work, or for injury or damage to any person or persons, either workers, employees of Contractor or its subcontractors or the public, or for damage to adjoining or other property, from any cause whatsoever arising out of or in connection with the performance of the work. The Contractor shall be responsible for any damage or injury to any person or property resulting from defects or obstructions or from any cause whatsoever arising out of or in connection with the performance of the work, provided, however, that the Contractor shall not be liable for the sole established negligence, willful misconduct or active negligence of the City, its representatives, employees, agents and authorized volunteers who are directly responsible to the City.

a. Contractor shall indemnify the City, City Council, City officials, City employees, City representatives, and authorized volunteers against and will hold and save them and each of them harmless from any and all actions, claims, damages to persons or property, penalties, obligations or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with the work, operation or activities of Contractor, its agents, employees, subcontractors or invitees, provided for herein, whether or not there is concurrent passive or active negligence on the part of the City, City Council, City officials, City employees, City representatives, and authorized volunteers, but excluding such actions, claims, damages to persons or property penalties, obligations or liabilities arising from the sole established negligence, willful misconduct or active negligence of the City, City Council, City officials, City employees, City representatives, authorized volunteers, or those who are directly responsible to them; and in connection therewith:

I) Contractor will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses, including attorney's fees incurred in connection therewith.

II) Contractor will promptly pay any judgment rendered against Contractor, the City, City Council, City officials, City employees, City representatives, and authorized volunteers covering such claims, damages, penalties, obligations and liabilities arising out of or in connection with such work, operations, or activities of Contractor hereunder and Contractor agrees to save and hold the City, City Council, City officials, City employees, City representatives, and authorized volunteers harmless there from.

III) In the event the City, City Council, City officials, City employees, City representatives, and authorized volunteers are made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the Work, or operation or activities of Contractor hereunder, Contractor agrees to pay to the City, City Council, City officials, City employees, City representatives, and authorized volunteers any and all costs and expenses incurred by the City, City Council, City officials, City employees, City representatives, and authorized volunteers in such action or

Attachment B - Exhibit 1

proceeding together with reasonable attorney's fees.

IV) The City may retain, to the extent it deems necessary, the money due to the Contractor under and by virtue of the Contract Documents until disposition has been made of such actions or claims for damages as specified herein above.

6. Claims, disputes and other matters in question between the parties to this Contract, arising out of or relating to this Contract or the breach thereof, may be decided by arbitration if both parties to this Contract consent in accordance with the rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration arising out of or relating to this Contract, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Contract except by written consent containing a specific reference to this Contract and signed by CONTRACTOR, CITY, and any other person sought to be joined. (Any Consent to arbitration involving an additional person or persons shall not constitute consent of any dispute not described therein or with any person not named or described therein.) This agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Contract shall be specifically enforceable under the prevailing arbitration law.

Notice of the demand for arbitration is to be filed in writing with the other party to this Contract and with the American Arbitration Association. The demand is to be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event is the demand for arbitration to be made after the date when institution of legal or equitable proceedings based on such claim; dispute or other matter in question would be barred by the applicable statute of limitations. The award rendered by the arbitrators shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

7. The Contractor agrees to comply with all Local, State and Federal regulations and with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) as amended.

8. If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorney's fees.

9. Each and every provision of law and clause required to be inserted in this Contract shall be deemed to be inserted herein and this Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted or is not inserted correctly, then upon application of either party the Contract shall forthwith be physically amended to make such insertion or correction.

10. In accordance with Government Code, Section 8546.7, records of both the City and the

Attachment B - Exhibit 1

Contractor shall be subject to examination and audit for a period of three (3) years after final payment.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in three counterparts, each of which shall be deemed an original the day and year first above written.

CONTRACTOR:

By: _____

Title: _____

By: _____

Title: _____

Federal ID. No. _____

CITY:

By: _____

Title: Lydia Romero, City Manager

ATTEST:

By: _____

Title: Susan Garcia, City Clerk

(Notaries acknowledgement of execution by all PRINCIPALS OF CONTRACTOR shall be attached.)